

REPORT / RECOMMENDATION



To: MAYOR AND COUNCIL

Agenda Item #: IV. D.

From: Ross Bintner P.E. – Environmental Engineer

Action ☒

Discussion ☐

Date: July 7, 2015

Information ☐

Subject: Authorize Joint Powers Purchase Agreement for Community Solar Gardens

Action Requested:

Authorize City Manager to Sign Joint Powers Purchase Agreement for Community Solar Gardens

Information / Background:

At its June 17, 2015 meeting, Council reviewed advice from the Energy and Environment Commission (EEC) recommending that the City of Edina participate in a joint purchase led by the Metropolitan Council and directed staff to follow up on this recommendation with a report.

Community Solar Gardens (CSG) are developed under a program mandated by Minn. Stat. 216B.1641 from regulated utilities such as Xcel Energy, from which the City of Edina draws power for its facilities. The program began in late 2014, and has been guided by various Public Utilities Commission orders as recent at June 25, 2015 governing details of the implementation of this program. City of Edina staff began fielding calls from solar developers interested in selling subscriptions to CSGs almost immediately after the program's launch. Subscriptions are anticipated to provide a net savings for subscribers with subscriptions costing less than the associated Xcel bill credits they generate. Additional information about subscriptions is attached for your reference.

In anticipation of limitation to CSG supply and a market that favors sellers, the Met Council, Hennepin County, Ramsey County and the City of Minneapolis organized a joint Request for Proposals to consolidate the administrative and legal review and promote competitive pricing. Met Council has invited interested parties to submit a letter of intent, joint powers purchase agreement (JPA) and list of facilities for participation. Upon opening of proposal, the Met Council will conduct a lottery drawing for each 400kWh block to equitably distribute and match subscribers to CSGs.

Staff supports the EEC recommendation to join the Met Council joint RFP because of the administrative efficiencies and equitable distribution of credits and recommends a partial list of facilities for enrollment into the JPA.

Attachments:

Letter of Intent

Joint Powers Purchase Agreement

City of Edina Facility Load Estimate

MN CERTS Subscriber FAQ
Xcel Energy Subscriber FAQ

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July 7, 2015

Mr. Jason Willett
Metropolitan Council
Environmental Services
390 North Robert Street
St. Paul, MN 55101
<Via email only jason.willett@metc.state.mn.us>

RE: Community Solar Garden

Dear Mr. Willett:

The City of Edina (Edina) believes the societal, financial and environmental value of Community Solar Gardens (CSGs) warrants Edina pursuing this opportunity in conjunction with other local government entities. As such, City of Edina staff has reviewed various materials and resources with regard to CSGs and have reviewed the electrical loads of the City's facilities. From this information, we have concluded that there is value in this program and therefore, the City of Edina intends to participate in subscriptions that become available as part of the Metropolitan Council's *Request for Proposals for CSG Subscription Agreements* slated to occur in June or July, 2015. Attached to this letter is a list of facilities the City intends to involve in the purchase of Community Solar Garden subscriptions if the price and terms of the subscription agreements meet the City's goals and objectives. In total, this is a commitment not to exceed 10,400,000 kWh.

This letter does not bind the City of Edina to participate in a joint RFP process, sign any specific subscription agreements, or otherwise commit financial resources to the Metropolitan Council's Local Units of Government Community Solar Garden project. Nor does submitting this letter to the Metropolitan Council prevent the City of Edina from soliciting for CSG subscriptions alone or with other entities. The intent of this letter is to clearly state the City of Edina's desire to participate in one or more community solar gardens based on the terms and conditions of the proposals received as a result of the *Request for Proposals for Community Solar Garden Subscription Agreements* being issued by the Metropolitan Council in June or July, 2015.

We encourage the Metropolitan Council to continue to take a leadership role on CSG projects so that the City of Edina along with other local government entities can participate in the financially responsible and environmentally preferable attributes of solar energy and share those benefits with its residents and businesses.

Together, by leveraging the strength of local government entities and the expertise of the Metropolitan Council, we can reduce carbon emissions and improve the overall quality of life for metro area residents and businesses.

Sincerely,

Scott Neal, Manager
City of Edina

G:\PWCENTRAL SVCS\ENVIRONMENT DIV\Energy and Environment Commission\Working Groups\Community Solar\150707 EEC Solar Garden Advisory Letter of Intent to MET COUNCIL.docx

ENGINEERING DEPARTMENT

7450 Metro Boulevard • Edina, Minnesota 55439
www.EdinaMN.gov • 952-826-0371 • Fax 952-826-0392

Joint Powers Purchasing Agreement for Solar Garden Subscriptions

THIS AGREEMENT is made and entered among the Metropolitan Council, County of Hennepin, County of Ramsey, City of Minneapolis, and other governmental units as provided in Section 2 and as defined in Minnesota Statutes § 471.59, subd. 1 (the “Party” or “Parties” depending on context).

WHEREAS, pursuant to the provisions of Minnesota Statutes § 471.59, the Parties are authorized to enter into agreements to exercise jointly or cooperatively governmental powers common to each and to permit one governmental entity to perform services or functions for another governmental unit; and

WHEREAS, the Parties wish to share their purchasing powers in order to secure the most favorable terms and conditions for the purchase of solar garden subscriptions;

NOW, THEREFORE, IT IS HEREBY AGREED, by and between the Parties hereto as follows:

1. This Joint Powers Agreement (“Agreement”) will become effective upon the execution of each Party and shall continue in full force and effect for all executing Parties, until a Party withdraws in accordance with the provisions of this Agreement.
2. Any “governmental unit”, as defined in Minnesota Statutes § 471.59, is eligible to become a Party to this Agreement and may do so by execution of this Agreement. Upon execution, the Agreement becomes effective as to the signing governmental unit and the signed Agreement shall be transmitted to the Contract Administrator. This Agreement may be executed in any number of counterparts, each counterpart for all purposes being deemed an original and all such counterparts together shall constitute one and the same Agreement.
3. The Hennepin County Administrator, or his/her designee or successor, will be the Contract Administrator and will be responsible for maintaining the records related to the administration of this Agreement. Each Party shall designate a contact person and provide written notice to all other Parties of the name and pertinent contact information for the Party’s contact person. The Contract Administrator’s responsibility may be transferred to another Party.
4. Subject to the provisions of this Agreement, the Parties may make joint purchases or make purchases using any other Party’s existing contracts for solar garden subscriptions.
5. This Agreement applies to all purchases made through a competitive solicitation process or by direct negotiations as allowed by Minnesota Statutes § 471.345, or as permitted by other Minnesota Statutes applicable to each Party, at the prices and terms available.

6. When making a joint purchase, the joint purchasers shall first consult with each interested purchaser to ensure that the requirements and specifications of the interested purchasers meet the needs of the joint purchasers and are included in the solicitation documents.
7. Prior to completing a purchase using another Party's existing contract, a Party shall enter into and execute its own purchasing document with the contract vendor.
8. Each Party shall make payment directly to the contract vendor according to the established procedures of the paying Party.
9. No Party shall assume any responsibility for the accountability of funds expended by any other Party or the issuance of any purchasing document by any other Party.
10. Each Party shall be separately accountable for its own expenditures of public funds made hereunder.
11. As mutually agreed upon, the Parties may share the costs associated with any shared bidding or solicitation process.
12. Each Party shall abide by all applicable state and federal law, rules and regulations.
13. The Parties' total liability under this Agreement shall be governed by Minnesota Statutes § 471.59, subd. 1a(a).

Each Party agrees that it will be responsible for the acts or omissions of its officials, agents, and employees, and the results thereof, in carrying out the terms of this Agreement, to the extent authorized by law and shall not be responsible for the acts/omissions of the other Parties and the results thereof. For purposes of determining total liability for damages, the participating governmental units, are considered to be a single governmental unit, the total liability of which shall not exceed the limits for a single governmental unit as provided in Minnesota Statutes § 466.04, subd. 1.

Each Party agrees to defend, hold harmless, and indemnify the other Parties, their officials, agents, and employees, from any liability, loss, or damages the other Parties may suffer or incur as the result of demands, claims, judgments, or cost arising out of or caused by the indemnifying Party's negligence in the performance of its respective obligations under this Agreement. This provision shall not be construed nor operate as a waiver of any applicable limitation of liability, defenses, immunities, or exceptions by statute or common law.

To the full extent permitted by law, actions by the Parties pursuant to this Agreement are intended to be and shall be construed as a "cooperative activity" and it is the intent of the Parties that they shall be deemed a "single governmental unit" for the purposes of liability, all as set forth in Minnesota Statutes § 471.59, subd. 1a(a); provided further that for purposes of that statute, each Party to this Agreement expressly declines responsibility for the acts or omissions of the other Parties.

The Parties to this Agreement are not liable for the acts or omissions of the other Parties to this Agreement except to the extent to which they have agreed in writing to be responsible for acts or omissions of the other Parties.

14. Any Party may withdraw from this Agreement by sending the Contract Administrator a notice to withdraw. Such withdrawal shall not void any purchases for which another Party has executed a purchasing document with the withdrawing Party's contract vendor or to any joint purchase made by the other Parties and the withdrawing Party.
15. Any amendments or modification to this Agreement, except for a withdrawal by any Party, shall be in writing and shall not be effective until executed by all Parties to this Agreement.
16. Based on the purpose of the Agreement, no general payment of funds are contemplated such that surplus will be created. All property obtained pursuant to this Agreement shall belong to the Party that purchased it under the process called for herein.

IN WITNESS WHEREOF, the Parties hereto have caused this Joint Powers Purchasing Agreement to be signed and approved by the proper officers of each of the contracting Parties, and attested by the proper officer, on the dates written below.

Reviewed by
Counsel for Party (if needed)

COUNTY OF _____
STATE OF MINNESOTA

By: _____

Its: _____

Date: _____

METROPOLITAN COUNCIL

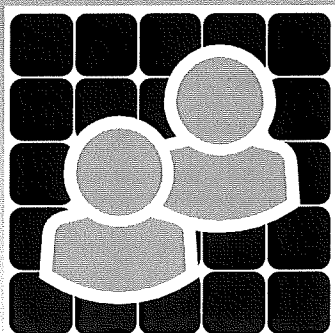
By: _____

Its: _____

Date: _____

Facility	Recommended?	Annual Load (kWh)	Recommended Load (kWh)	Dollars	Recommended Dollars
Arneson Acres Greenhouse	Yes	17,245	17,245	\$2,224	\$2,224
Arneson Acres Museum	No	25,142		\$3,123	
Art Center	No	145,546		\$16,426	
Braemar Arena	Yes	3,521,016	3,521,016	\$347,253	\$347,253
Braemar Golf Course Clubhouse	Yes	359,289	359,289	\$44,296	\$44,296
Braemar Golf Dome	Yes	185,500	185,500	\$18,383	\$18,383
Centennial Lakes Hughes Pavilion	Yes	166,162	166,162	\$17,656	\$17,656
Centennial Lakes Maintenance	Yes	36,250	36,250	\$4,469	\$4,469
City Hall	Yes	1,385,728	1,385,728	\$110,500	\$110,500
Edinborough Park	Yes	1,092,594	1,092,594	\$109,855	\$109,855
Fire Station No. 1 Tracy Ave	Yes	265,336	265,336	\$22,910	\$22,910
Fire Station No. 2 York Ave	Yes	66,652	66,652	\$6,903	\$6,903
Fred Richards Golf Course Clubhouse	No	29,556		\$4,125	
Fred Richards Golf Course Maintenance	No	4,899		\$789	
Liquor Store 50th St	Yes	139,499	139,499	\$14,221	\$14,221
Liquor Store Vernon Ave	Yes	188,610	188,610	\$18,605	\$18,605
Liquor Store York Ave	Yes	220,587	220,587	\$23,329	\$23,329
Public Works	Yes	1,031,725	1,031,725	\$101,910	\$101,910
Senior Center	No	207,477		\$22,608	
South Metro Public Safety Training Facility	No	242,231		\$30,524	
Sanitary Lift Station 6	Yes	288,000	288,000	\$21,600	\$21,600
WTP 2, Well 6	Yes	360,000	360,000	\$27,000	\$27,000
WTP 3, Well 10 and 11	Yes	900,000	900,000	\$67,500	\$67,500
WTP 4, Well 12 and 13	Yes	840,000	840,000	\$63,000	\$63,000
WTP6	Yes	1,200,000	1,200,000	\$90,000	\$90,000
TOTAL		12,919,046	12,264,194	\$1,189,209	\$1,111,614
	Recommend at 85% of total load		10,424,565		
	Recommend at 100% of total load		12,264,194		
	Recommend at 115% of total load		14,103,823		

COMMUNITY SOLAR GARDEN SUBSCRIBER QUESTIONS



This document begins by briefly introducing Community Solar Gardens and what you should know as a potential subscriber.

It then continues with questions that you can ask operators as you move forward.



Q What are Community Solar Gardens?

Community Solar Gardens (also called Community Solar and Community-Shared Solar) are centrally-located solar photovoltaic (PV) systems that produce electricity for participating subscribers. They are a way for people in Minnesota to benefit from solar PV systems without installing their own stand-alone project. Programs vary by utility in Minnesota. Many cooperative utility customers can subscribe to a project owned by their local utility. Customers served by Xcel Energy can participate in projects offered by private Community Solar Garden Operators.

Q What's the point of this document?

To help prospective subscribers decide which project might be right, CERTs, Minnesota Department of Commerce, Minnesota Solar Energy Industry Association, and Minnesota Renewable Energy Society have developed a document outlining what any Subscriber Agreement should address and highlighting the questions that can be asked up front to ensure a clear understanding of the subscription and its terms.

Q What should you know before subscribing?

GET THE CHECKLIST



See what Community Solar Subscriber Agreements should include by downloading our subscriber checklist at MnCERTs.org/CSG-Disclosure

Before subscribing to any particular project, all subscribers should ask for and review the operator's subscriber agreement. All subscriber agreements should address elements included in the Community Solar Garden Subscriber Disclosure Checklist (see link at left). Additional questions that subscribers can ask are on the pages to come.

Next pages: Important subscriber questions & info

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Company & Project Details

- How long have you been in business? How many installations have you done? Do you have references I can contact?
- Will I be able to visit the system? How can I show I'm participating?
- Will I be able to see online how much my subscription is producing for the life of my subscription agreement?
- How will I receive updates about the project? How will I be notified if something goes wrong?
- Who handles my subscription over time? Who do I call if I have questions?
- When do I need to sign a subscriber agreement? What kind of paperwork will I need to fill out?
- What types of PV modules will be used in the project? How do they differ from other panels on the market, and why did you choose them?
- What will you do to ensure that the panels won't become shaded by another structure in the future?

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Pricing & Compensation

Subscribers will be compensated for their share of the Community Solar Garden system's output via a credit on their utility bill. The credit will be made on a dollar per kilowatt hour produced (\$/kWh) basis for most utilities.

Subscribers in Xcel Energy's service territory will be compensated at the Applicable Retail Rate (ARR) for the duration of their subscription, which may last up to 25 years. The ARR is calculated by Xcel Energy by dividing the previous year's revenues by sales for each customer class; the ARR will be updated every year. Subscribers should verify their service class (i.e., residential service, small general service, or general service*) prior to subscribing. The current ARR's plus renewable energy credit (REC) payments by Community Solar Garden size are listed below.

Most operators make assumptions that the ARR will change over time when they estimate a subscriber's potential return on investment. The retail rate trends over the past 20 to 25 years are a good rule of thumb to ground truth these numbers. An assessment by Xcel Energy indicates that the ARR's

2014 Xcel Energy Applicable Retail Rates + REC Payments (\$/kWh)

REC Payment	Residential Service	Small General Service	General Service
None (Applicable Retail Rate)	0.12033	0.11783	0.09456
\$0.02 (> 250 kW gardens)	0.14033	0.13783	0.11456
\$0.03 (≤ 250 kW gardens)	0.15033	0.14783	0.12456

across all customer classes have increased an average of 2.6 to 2.9 percent per year since 1992.

The Minnesota Public Utilities Commission has jurisdiction over Community Solar Garden rates for Xcel Energy and other investor-owned utilities. The Commission may change the community solar garden subscription rates for future projects, but community solar gardens forming under the current ARR structure will receive the ARR's in place at the time the solar energy is generated for the life of the community solar garden.

RECs stands for Renewable Energy Credits, which represent the renewable attributes of solar and other renewable energy generation. Operators in Xcel Energy's Community Solar Garden program may elect to sell the RECs to the utility. In the case of Xcel Energy customers, the compensation will be paid directly to the subscriber based on the size of the garden as described in the table above. If the RECs are sold, subscribers cannot market themselves as "solar powered," as the green attributes for subscription are assigned to the owner of the RECs. This is consistent with Green-E best practices to avoid double counting (see link in More Resources section).

* The General Service customer class is also referred to as the Demand-Metered customer class.

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Subscription Terms

To participate in a project, a potential subscriber must purchase a subscription. There are two primary subscription models: **pay upfront** and **pay-as-you-go**. In a pay upfront model a subscriber purchases a subscription for a onetime fee that covers the life of the agreement. The subscriber reaps the subscription benefits (utility bill credits for energy produced) for the length of their subscription. In a pay-as-you-go model a subscriber pays in installments, which are often based on the Community Solar Garden's production attributed to their subscription. Whichever route you choose, you will not actually own solar panels, you will own a subscription for the solar energy system's production. Xcel Energy customers can subscribe to as little as 200 watts of solar capacity or up to 120% of their average annual energy use.

Subscription Size and Price Questions

- To participate, do I pay an upfront subscription fee, a monthly subscription fee, or a combination thereof?
- What is the subscription price? Is it an up-front price or a monthly charge? Is the subscription price all inclusive, or are there additional administrative or maintenance fees that may be charged?
- Approximately how much energy will the system produce, and what portion of my energy use might I expect my subscription to offset annually? Based on your subscription rates, what would it cost me to cover all of my electricity use?
- What happens if my subscription's energy production exceeds my energy bill during the year? What happens if it exceeds 120% of my energy use? Who benefits from my subscription's excess production?

Additional Subscription Terms Questions

- What is the term of my subscription (i.e., how long does it last; under what conditions is there an exit penalty)?
- What happens if I move, want to cancel, or die? How will my shares be transferred? Is it my responsibility to sell it to someone else?
- How much will I be paid for my subscription at the time of transfer or cancellation?
- What are the tax implications of my subscription?
- What happens to my subscription if the operator goes out of business or sells the garden?
- Describe the production and maintenance warranties included in the subscription agreement.
- What happens if the operator is unable to maintain and operate the garden? What are my remedies as a subscriber?
- What happens if the garden is perpetually under-producing? What are my remedies as a subscriber?

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Looking for More Resources?

Learn more from CERTs in our **Guide to Community Solar Gardens**, which includes a list of developers and operators, program updates, and frequently asked questions at MnCERTs.org/SolarGardens.

- **Green-E:** green-e.org/getcert-re-stan.shtml
- **Questions for Hiring a Contractor by Minnesota Department of Commerce:** mn.gov/commerce/energy/images/Hiring-Renewable-Energy-Installer.pdf
- **Michigan Community Solar Gardens Guidebook by Great Lakes Renewable Energy Association:** michigan.gov/documents/mdcd/Michigan_Community_Solar_Guidebook_437888_7.pdf
- **Community Solar Garden Guide by NREL:** nrel.gov/docs/fy11osti/49930.pdf



Solar*Rewards® Community® Minnesota Subscriber FAQs

How can I subscribe to a community solar garden?

In order to be a subscriber to the Minnesota Solar*Rewards Community (S*RC) program, you must be an Xcel Energy electric retail customer in Minnesota. The location of the customer premise associated with the account receiving the bill credit must be in the county where the solar garden is located, or in an adjacent county. You can decide which garden you are interested in and contact one of the many Garden Operators developing solar gardens in Minnesota.

Requirements are largely defined in [Minn. Statute §216B.1641](#).

Subscriber Requirements

The following rules apply to all Solar*Rewards Community subscribers:

- A subscriber must be an electric retail customer of Xcel Energy
- Subscriptions must not exceed 120% of your average annual electric energy usage
- Subscriptions must not exceed 40% of a single garden
- Subscribers will be provided a monthly credit on their bill. The credit will be determined on a dollars per kilowatt-hours produced (\$/kWh) basis by Xcel Energy.

Am I eligible to receive a bill credit? What type of credit is available?

Xcel Energy customers subscribing to a solar garden are eligible for a solar energy bill credit.

Bill credit rates can be found in our [Section 9 Tariff](#).

The "Standard Bill Credit" is the applicable retail rate in effect at the time of energy generation. The "Enhanced Bill Credit" is the sum of the applicable Standard Bill Credit and the Commission-approved Renewable Energy Credit (REC) pricing. A Solar*Rewards Community garden electing to sell its RECs (via the Enhanced Bill Credit) to the Company for subscribed energy, shall be at the Commission-approved REC price in place on the date the garden's application is considered by the Company to be complete.

How is the credit amount determined?

Each month, the solar production from a community solar garden is recorded in kilowatt-hours (kWh). The production amount is then allocated, based on each customer's subscription size. The customer's bill credit is calculated by multiplying the number of kWh by the bill credit rate (\$/kWh). Detailed information on the calculation of the bill credit can be found in the published Tariff on our website.

Bill credits are applied to the final billed amount, after all electric charges, adjustments, riders, taxes and fees are added in. Therefore the credits will have no impact on the taxable amount owed by the subscriber.

When are credits posted?

Updated 03/18/2015

On the ninth of every month, each subscriber's share of energy production from the community solar garden is posted to his/her account as a bill credit. Because customers are on different billing cycles, the timing for when each subscriber will see their credit depends on the day their meter is read.

If a subscriber's billing cycle (three-day, meter-reading window):

- **Is before the ninth of the month:** the bill will reflect Solar*Rewards Community credits with a one-month lag time/delay. (For example, a September bill will show credits from July.)
- **Is after the ninth of the month:** the bill will reflect Solar*Rewards Community credits for the previous month. (For example, the September bill will show credits from August.)
- **Contains the ninth of the month:** the Solar*Rewards Community bill credit reflected may be from the previous month, or may have a one-month lag. For this small subset of subscribers, bill credits will not be reflected on their bills each and every month; some bills may include two months' worth of bill credits, while some bills may not show any credits.

Xcel Energy is not able change customers' billing cycles. However, if a customer is on a meter-reading cycle that results in a bill generating on or near the ninth of the month, we have the ability to delay the creation of that bill, in order to ensure that the customer will only see one credit applied to each bill cycle. If you would like to discuss this option, please send us an email at srcmn@xcelenergy.com. While the credits are reflected differently based on the timing for each customer's bill, please remember that the Solar*Rewards Community bill credits will be posted regularly to customer accounts on the ninth of each month.

How does the 120% rule apply to customers?

Subscriptions must not exceed 120% of your average annual electric energy usage.

If there is less than four months of consumption history, the new home calculator can be used to generate an estimate.

Square Feet Range (sq. ft.)	120% Rule Equivalent (kWh)	Allow PV System Size (kW)
500 – 1,000	5,311	4.13
1,001 – 1,500	7,318	5.69
1,501 – 2,000	10,215	7.94
2,001 – 2,500	11,018	8.57
2,501 – 3,000	12,978	10.09
3,001 – 3,500	15,618	12.14
3,501 – 4,000	14,830	11.53
4,001 – 4,500	17,887	13.91

For properties that are over 4,500 square feet, without consumption history, please submit an energy audit (HERS Rating or similar) or load calculations for the property. Please submit all system sizing paperwork to srcmn@xcelenergy.com.

We use the National Renewable Energy Laboratory's (NREL) PVWatts® calculator to convert a subscriber's allocation in kW to annual output in kWh. That number is then checked against the customer's historic usage or the home usage estimator for compliance with the 120% rule. NREL's PVWatts calculator can be found on their [website](#).

How does the 40% allocation requirement work?

Minn. Statute §216B.1641 defines a subscriber as ***“a retail customer of a utility who owns one or more subscriptions of a solar garden facility interconnected with that utility.”*** A retail customer is a separate person or corporation and is the ***legal name of the party*** as defined by state law and existing Xcel Energy tariffs.

Further, ***affiliates of a legal entity*** will be treated as the same person or entity for the purposes of subscription with the exception of government entities. Political subdivisions of a government entity or public agency can be considered separate retail customers of the utility as defined by Minn. Stat. §216B.02, Subd. 2. If a governmental agency composed of sufficient political subdivisions or agencies has a different account, each political subdivision or agency may have a 40% interest in a single garden.

To provide some context as to whether or not you may be at risk for allocating more than the legislated 40% threshold, we’ve provided the below questions to help identify possible cases. If you answer “yes” to one or more of the below questions and intend to subscribe to 40% or more of any solar garden, we suggest you contact the S*RC team at srcmn@xcelenergy.com. We’ll contact you within seven calendar days to help resolve your questions.

- ☐ Do you have more than one physical location to which subscriptions can be attributed?
- ☐ Do you have more than one account?
- ☐ Does the premise address on your bill differ from the billing address?
- ☐ Are you one of many accounts for the same type of business?
- ☐ Do you have political subdivisions and do you have separate financials per subdivision?

For further clarity, we’ve put together the following questions and answers about this topic:

- ***How do I know whether or not I have multiple accounts under one legal entity?***

There are a couple of ways you can determine whether or not you have multiple accounts that would be combined for the purposes of the 40% requirement. First, if your bill is sent to an alternative address (versus your location) and you receive multiple bills, it is likely that you have several accounts associated with one legal entity.

- ***What is meant by “affiliates are considered the same entity”?***

State statute provides guidance with the definitions of “person” and “corporation”, which are as follows:

“Person” means a natural person, a partnership, or two or more persons having a joint or common interest, and a corporation as hereinbefore defined.
(As noted in Minn. Stat. §216B.02, Subd.3)

“Corporation” means a private corporation, a public corporation, a municipality, an association, a cooperative whether incorporated or not, a joint stock association, a business trust, or any political subdivision or agency. (As noted in Minn. Stat. §216B.02, Subd. 2.)

Therefore, as defined by statute for our S*RC Community Program, a “person” includes corporations associations or partnerships having a “joint or common interest”. Xcel Energy does not have insight into specific customer legal structures, but if your company and another company are affiliated businesses, then together these two businesses can only own up to a 40% interest in one garden.

- ***As a government agency, I have different political subdivisions. Can I have a 40% interest in one garden per political subdivision?***

The likely answer is yes. Government entities have specific statutes that define them differently than regular “corporations”. Some cities have different political subdivisions and have legal entities such as City X Fire Department and City X Libraries. Each subdivision can have a 40% interest. In order to determine if you are a political subdivision or agency, we provide guidance in the linked document.

- ***How can I determine if there is a “joint or common” interest between two legal entities?***
 - If you can accurately state “yes” to all of the following, then there is no “joint or common” interest and each legal entity would be its own subscriber. You can confirm:
 - There is no partnership or joint venture between them?
 - They have not united together for the same purpose?
 - There is no common owner between them?
 - They are not part of the same corporate family – not affiliates, corporate subunits, nor otherwise related companies?
 - They are independent companies?
- ***Do different legal names and Federal Tax ID number constitute a different subscriber?***

Not necessarily. Having a different legal name and/or a different Federal Tax ID does not by itself show that these are not the same subscriber.
- ***As an elementary school, our bills are paid by the district. Who is the “retail customer”?***

Generally speaking, elementary schools and high schools in the same district are considered one legal entity and therefore together could not have more than a 40% interest in one garden.

What should I do if I still have questions?

Most customers should have very little difficulty determining their eligibility. But if you are unsure of your legal structure, we recommend you discuss this option with your legal representative and then contact srcmn@xcelenergy.com to help determine your eligibility for Solar*Rewards Community.